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# **Sudan: The Nimeiri Regime Under Pressure**

**Interagency Intelligence Memorandum**

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## **SUDAN: THE NIMEIRI REGIME UNDER PRESSURE**

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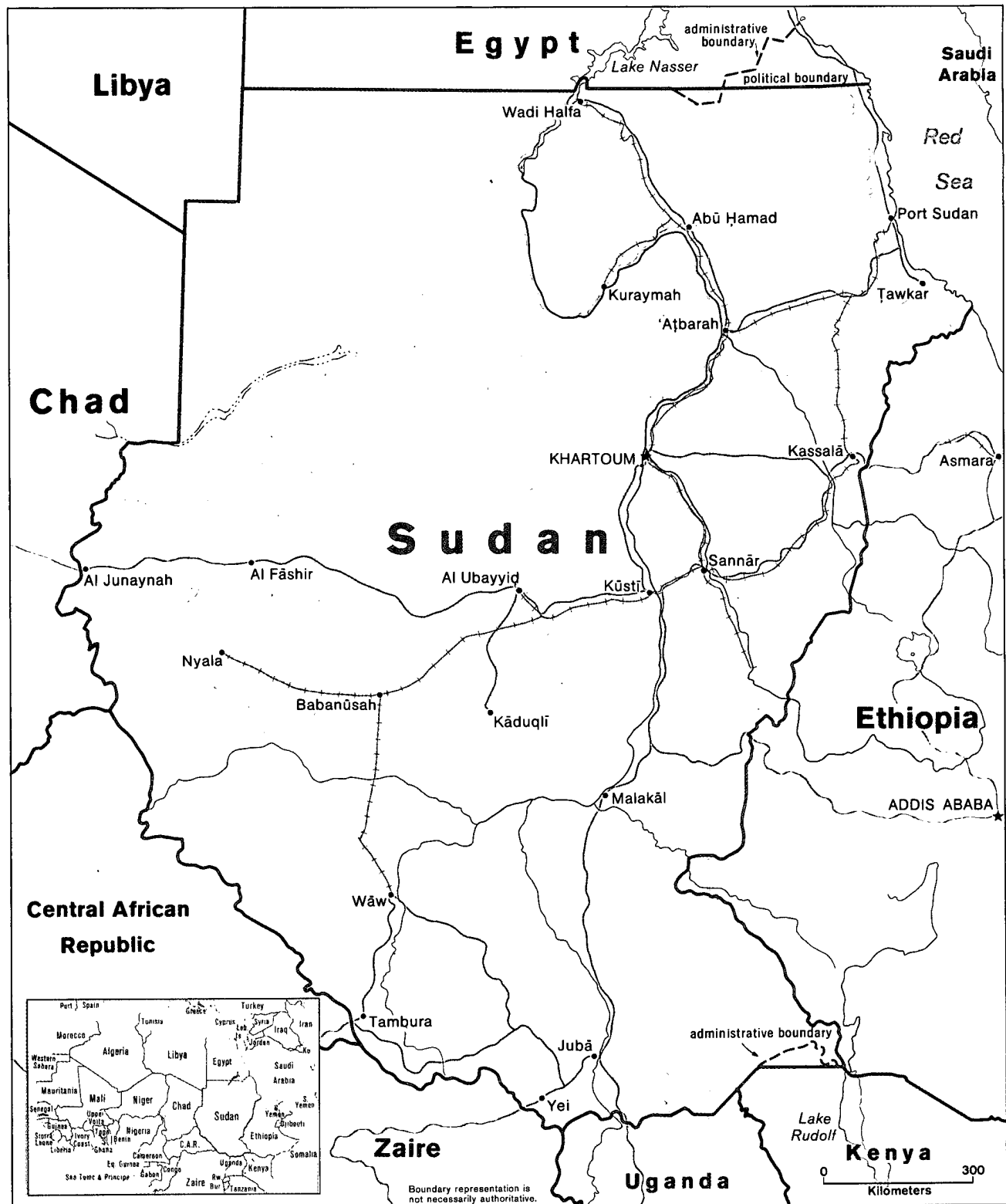
## FOREWORD

This paper reviews recent developments in Sudan and assesses the problems and prospects of the Nimeiri government over the next 12 to 18 months. Sudan recently has played an increasingly significant role in the international relations of the Arab states and the countries in the Horn of Africa. The country's domestic situation is shaky and any repetition in 1980 of the serious rioting that occurred last August in Khartoum will be dangerous for President Nimeiri and for the US position there.

*under the auspices*  
This memorandum was prepared ~~by~~ the National Intelligence Officer for Africa with contributions from ~~various components of the National Foreign Assessment Center, the Bureau of Intelligence and Research of the Department of State, the Defense Intelligence Agency, and C.I.A., and the Foreign Broadcast Information Service.~~ It has been coordinated with Intelligence Community representatives at the working level.

*The principal draftsman was Martin Armstrong  
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## KEY JUDGMENTS

The greater US role in the northwestern Indian Ocean area has made it increasingly important from Washington's point of view to have a friendly and moderate government in Khartoum. Sudanese President Nimeiri's support for the Middle East peace process, in the face of pressure from other Arab states, has also given his country a new significance.

The most serious challenge to Nimeiri's regime is economic. Despite international financial action, the economic outlook is bleak. Serious shortages of consumer goods and a declining standard of living could cause outbreaks of popular unrest and dissatisfaction within the security forces—Nimeiri's main base of support—that could threaten his government. The possibility of a commercial-size oil find, his political skill, and the disunity of the opposition will improve his prospects somewhat.

If Nimeiri were deposed, the military presumably would remain in control, although it is possible that a successor regime would be nominally civilian led. In either case, the successor regime would probably identify less with US interests in the area and move some distance toward the Arab consensus, especially with regard to policy toward Egypt and the peace process.\* A less likely alternative would be a successor regime controlled by military officers who favored a closer alignment with the hardline Arab states.

US ability to influence Sudanese policy depends primarily on how the Sudanese perceive US resolve and strength. Sudan wants a strong friend and military patron to counter threats it sees presented by the USSR, Ethiopia, and Libya.

As Nimeiri's hope for political survival over the short term depends in part on his ability to have bread and flour on store shelves when the traditional lean summer season arrives, probably the most important thing that the United States could do to aid him in the near term would be to increase food aid.

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\* For the views of the Defense Intelligence Agency on this sentence, see footnote 7 at paragraph 75 of the Discussion section.





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## DISCUSSION

## Recent History

1. The significance of Sudan to the United States, which has not been great in the past, has increased. Its present importance stems from a combination of geography, recent history, and the personality of President Gaafar Nimeiri, its leader for the past 10 years. Since the Soviet intervention in Afghanistan in late 1979, the Sudanese role as an obstacle to the expansion of Soviet influence in the region has become especially important.

2. For most of its modern history, Sudan has been a backwater—a refuge in times of trouble, or a territory to be traversed on a journey to a farther destination. It has been important to non-Sudanese mainly for its relations with other lands—Egypt, at all times because of the Nile; Zaire, when the “Congo rebels” used Sudan as an arms pipeline in the 1960s; Chad, when earlier in the 20th century the French were extending their control and now when Paris is trying to preserve some semblance of orderly administration there in the face of Libyan machinations; Uganda, since the fall of Idi Amin and the withdrawal of his partisans across the Sudanese border; Ethiopia, since the Eritrean rebels began in the 1960s to use Sudanese territory yet again as a sanctuary to fight the Ethiopian central government.

3. Sudan was more or less openly unfriendly toward the United States from the time of the 1967 Arab-Israeli war, when it broke diplomatic relations, until 1972. At that time General Nimeiri, having survived a Communist-led coup against him, began turning away from the USSR, which had been providing Sudan with extensive military equipment and some economic assistance. Because of a coincidental cooling in Egyptian-Soviet relations, Sudan and Egypt began to draw together. Egyptian President Sadat's subsequent turn toward the United States then laid the foundation for a Washington-Cairo-Khartoum relationship, and Nimeiri endorsed the Camp David accords. Many Sudanese, however, mindful of past Egyptian attempts to dominate their country, have remained wary of closer relations with their northern neighbor.

4. From the US standpoint, this endorsement appeared to confirm Nimeiri in the role of a reasonable, politically seasoned personality with whom the United

States could deal—a voice of moderation in a region of chronic intemperance. Moreover, Nimeiri's support for the Camp David accords assumed greater importance as it became evident that he was virtually alone among Arab leaders in his willingness to associate himself with Sadat publicly.

5. Since mid-1977, Nimeiri has moved to create a more liberal political climate and provide opportunities for important tribal, religious, and political groups to participate in public affairs. The 1978 elections to the National Assembly and the Southern Regional Assembly were relatively free of interference by the regime. Party identification remains prohibited, however, and the Sudanese Socialist Union (SSU) is the sole legal political organization. Press freedom is not complete, but newspapers are permitted to criticize government policies and actions, although they are careful not to attack Nimeiri directly. Despite these moves toward greater political tolerance, Nimeiri is prepared to move firmly against any serious challengers.

6. The deterioration in US relations with Ethiopia has made Sudan more important to the United States than previously. With the Ethiopian revolution of 1974 and the strengthening since 1976 of ties between Ethiopia and the USSR (and of course Cuba), Sudan has become geopolitically more important for the West in the Horn of Africa. The complication here is that Sudan has had a longstanding and in some respects debilitating involvement in Ethiopian affairs. For most of the past decade, the Nimeiri regime's security organs have played host to various Ethiopian insurgent groups and have supported their struggle against the government in Addis Ababa. Sudan has acted both on its own account to keep a large and normally unfriendly neighbor weak, and as a conduit for aid to the Eritreans from Arab states of both moderate and radical stripes.

7. As long as Ethiopia could be counted in the Western camp, Sudan's support for the Eritreans was a point of disagreement with Washington, although the United States acknowledged that the Eritreans had legitimate complaints against Addis Ababa's administration. Since 1977, when massive Soviet/Cuban military aid began to arrive in Ethiopia, the Eritrean guerrillas—and Sudan's support for them—have tended to become aspects of the larger problem of the

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threat to the Arabian Peninsula and the rest of Africa posed by the Soviet presence in the northwestern Indian Ocean region.

### The Nimeiri Regime

8. Nimeiri today—nearly 11 years after the military coup of May 1969—can claim a number of successes in domestic and foreign policy. His political longevity alone is an achievement: more than a decade of one-man rule, in contrast to the revolving-door leadership during the previous 13 years of Sudan's independence. His effort to reconcile the many competing groups within Sudanese society—Ansar vs. Khatmiyyah<sup>1</sup> sectarians, "Sudan firsters" vs. pro-Egyptians, northerners vs. southerners, urban dwellers vs. peasants, ideologues vs. pragmatists, military vs. civilians—have inevitably fallen short of full success. But he has blunted these divisions by bringing all overt political activity under a single party (the SSU), by imposing his personal predominance on the discussion of political issues, and by drawing on the Army to provide relatively nonpartisan leadership.

9. Nimeiri has evolved into a shrewd political manipulator. He has developed techniques of alternating repression with cooperation, and has kept his opponents off balance by frequent shakeups of his cabinet and senior military commanders. But his one-man rule still has its foundations in the military, and he has paid close attention to military pay and allowances, equipment modernization, and personnel shifts. He also instituted a concerted counterintelligence effort within the officer corps following the defection of some officers to a Libyan- and Ethiopian-backed coup attempt in 1976.

10. Nimeiri's tactics have served him and his country better in politics, however, than in economics. In this latter arena, one-man rule and conciliation have had the effect of focusing all initiatives in the presidency, and there has not been a realistic program to build on the foundations inherited from the colonial period. "Socialist" experiments have burdened Sudan with inefficient government factories, now viewed as the preserve of their directors and employees. At the same time, Sudan has tended to become a country of

<sup>1</sup> Sudan has two major religious sects: the Mahdiyyah (followers of the house of Mahdi, who are also known as Ansar), which claims the loyalty of approximately one-fifth of all Sudanese; and the rival Khatmiyyah (followers of the house of Mirghani). The Ansars have traditionally resisted the spread of Egyptian influence in Sudan, while the leaders of the Khatmiyyah have historically allied themselves with Egyptian governments.

second- or third-rate business and professional talent because of the superior rewards available to competent Sudanese working in the wealthy states of the nearby Arabian Peninsula. Sudan is now a country with promising long-range prospects for agriculture and possibly some kinds of industry. To realize this potential, however, Sudan needs massive investment for basic infrastructure, especially transportation and communications development. Aggravating the general economic problems are the debt burden and increasing current expenses, notably the rise in the price of imported oil.

11. Nimeiri must act to halt the steady decline in the living standard of the average Sudanese. It will be several years, however, before economic development can start to pay significant political dividends. To produce the kinds of economic benefits that would have a timely political payoff, Nimeiri needs rich and openhanded friends. Neither Egypt nor the United States can meet all, or even most, of Sudan's financial needs. Despite the moderate success of his foreign policy during the 1970s, Nimeiri's bets on Cairo and Washington now look less attractive than they did then. Sudan is almost completely dependent on an Arab "dole," while the relationship with Egypt's Sadat has been gradually isolating him within the Arab world. Moreover, Sudan's search for Western arms has been largely unproductive, while the Soviet arms inventories of Libya and Ethiopia are burgeoning.

12. What Nimeiri is conducting today is a holding operation, which may turn into a retreat if his internal economic situation worsens further and if the international environment in which he operates continues to deteriorate.

### The Economic Challenge

13. There have been periods during the past year when the ability of the Nimeiri government to maintain a flow of basic supplies—food, petroleum products—was doubtful. While rail maintenance between Port Sudan, the country's sole working port, and the rest of the country has been neglected, the completion this year of a hard-surface road between the port and the capital could significantly improve the supply situation.

14. Since at least 1975, Sudan has become gradually less able to find the foreign exchange, either from export sales or from borrowing, to pay for the goods and services the country needs to sustain an acceptable quality of life in the present, much less build for the future. No reversal of this trend is likely soon, and

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Sudan probably will be facing a serious balance-of-payments constraint on economic growth for the next few years. Efforts by the Arab states to help out with additional loans and rescheduling of existing debts have been rather hesitant and sporadic; aid from the International Monetary Fund, while it has required politically painful but necessary adjustments, has been more certain.

15. The impact of such adjustments on political leaders probably produced deeper dismay than it otherwise might have done because of high hopes that had sprung out of contemporary political developments. In the wake of the 1973 Arab-Israeli war, Western threats to withhold food supplies in retaliation for the Arab oil embargo sparked an Arab "decision" to turn Sudan into the breadbasket of the Arab world. Sudan indeed farms only 6.5 million of its 80 million arable hectares, and is virtually the only Arab country where unused cultivable land is available in combination with favorable water resources and climate.

16. But the program to expand agricultural production has sputtered. The reasons have been various:

- Emphasis on investment in new projects meant that money was not available for existing projects and also that there was inadequate maintenance and investment in the infrastructure.
- Emphasis on bringing into production irrigated cereal crops, such as wheat, meant a loss of export earnings from more immediately profitable crops such as cotton and peanuts.
- The bureaucracy pushed investment in public corporations, with lots of new desk jobs, at the expense of the private sector.

— Development was concentrated in the center of the country, leaving high-potential areas in the far west and south without the advantages of modernization.

— Livestock development, with its potential for export earnings from meat and meat products, was given a low priority in favor of crop production.

17. Had import costs remained stable, the program nevertheless might have had a chance. Receipts from exports did rise briskly for about three years, though more because of favorable prices than larger volumes; and increasing current account transfers—owing in large part to remittances from Sudanese working abroad—helped offset trade deficits. At the same time, however, the cost of petroleum soared (as did the costs of servicing the government's foreign debt), import requirements for the development program increased, and prices of manufactured imports went up.

18. FY 1979 (Sudanese fiscal years run from 1 July to 30 June) was a disaster. The current account deficit was a record \$590 million. (See table 1.) A reduced volume of exports of cotton and oilseeds—down about 20 percent because of fertilizer shortages and late planting due to flooding—combined with soft world prices for cotton to cut export earnings by 6 percent. At the same time, the rising prices of imports resulted in a trade deficit of \$800 million for 1979.

19. On the domestic side of the economy, financing the cost of development produced its own complications. Growing budget deficits—from \$83 million in 1973 to \$572 million in 1977—were increasingly financed through local bank borrowing. Whereas the

Table 1

## Sudan: Balance of Payments, FY 1975-79

	Million US \$				
	1974/75	1975/76	1976/77	1977/78	Estimate 1978/79
Trade balance	-496	-511	-392	-618	-800
Exports	430	551	594	552	520
Imports	-926	-1,062	-986	-1,170	-1,320
Services (net)	-92	-41	-45	-74	-60
Unrequited transfers (net)	101	151	183	255	270
Current account	-487	-401	-254	-437	-590
Official capital (net)	424	325	198	65	395
Accumulation of arrears	—	158	119	242	—
Errors and omissions	-56	-178	-61	54	—
Monetary movements	119	96	-2	76	195

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domestic banks financed only 12 percent of the deficit of FY 1975, they underwrote 83 percent in 1977. Although efforts were subsequently made to reverse these trends, they had already made their contribution to inflation.

20. It has now been about 18 months since Sudan accepted the first of the programs negotiated with the International Monetary Fund to try to redress the country's severe economic problem. At the same time, the six-year development plan (1977-83) was scrapped in favor of a more conservative three-year plan (1978-81). The IMF's initial one-year "stabilization" program called for a 20-percent devaluation of the Sudanese pound, a reduced rate of increase in government current expenditures, and a reversal of agricultural policy to favor export crops, particularly cotton, chiefly at the expense of wheat.

21. In May 1979 a US-supported three-year IMF program was adopted, consolidating some of these reforms. The new Sudanese development plan responds to these requirements by cutting overall proposed development expenditures by 16 percent in real terms—to \$1.76 billion—from the corresponding years of the scrapped six-year plan. The new plan emphasizes completing projects under way and improving existing facilities instead of undertaking fresh starts. It also focuses on eliminating road and rail bottlenecks. The FY 1980 operating budget tried to keep within IMF limits, but its initial projection of a \$230 million surplus should be viewed with skepticism. (See table 2.)

22. Finally, a basic policy shift in favor of the private sector was announced last September. Many foreign exchange controls have been lifted, various taxes and surcharges reduced, and exchange rate adjustments have been made to stimulate some specific kinds of trade. These measures, which are generally popular with the local trading community, also offset to some degree the unpopularity of austerity policies that result from the IMF program.

### The Costs of Austerity

23. Because the Nimeiri government began with a military coup and is dependent on the will of the military for protection against fresh coup attempts (as most recently in 1976), one of the first areas of concern is the impact of austerity on the military budget. In absolute terms, measured in current US dollars, the defense budget has more than doubled since 1975, but the bulk of that increase came between 1975 and 1977. As a percentage of the government's

Table 2

### Sudan: Central Government Current Budget for 1979/80, as Proposed in June 1979

	Million US \$
Revenues	2,271.2
Government charges	167.3
Customs	655.0
Excise taxes	196.3
Direct taxes	173.3
Central government	1,079.3
Expenditures*	2,041.3
Personnel	281.7
Ministry services	127.0
Loan services	332.8
Other services	264.8
Education	136.5
Peoples' executive councils	513.5
Southern region	90.0
Defense	280.0
Minor services	15.0
Surplus	229.9

\* Includes only current expenditures. Capital expenditures are not yet available and probably exceed the \$230 million surplus in current budget account.

overall budget and of gross national product, the military's share of the budget in 1979 was virtually the same as in 1975.

24. While the allocation of funds to separate services and functions is not known precisely, the budget appears to be barely adequate to cover the pay and allowances of a 71,100-man force, plus some limited operational costs, but no new equipment. Procurement of major items of equipment will depend on foreign aid. The loyalty and responsiveness of the security forces remain critically important to the regime. Although Nimeiri has paid special attention to the needs of military personnel, most Sudanese officers and men are part of an extended family and they are keenly aware of the social costs of austerity.

25. In the summer of 1979, the government attempted to meet IMF demands for reduction of current outlay by reducing subsidies on such key consumer items as bread, sugar, liquor, cigarettes, and petroleum. Steep price rises followed immediately, and there has been a general cost-of-living increase, now estimated at a minimum of 40 percent. (See table 3.) The prices of other imported goods were boosted by the currency devaluation.

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Table 3

**Sudan: Price Changes During 1979 for  
Commodities and Utilities**

<u>Commodity</u>	<u>Price Changes</u>	<u>Date Implemented</u>
Bread	40-percent increase	11 June
Flour	127-percent increase	11 June
Sugar	33-percent increase	26 June
Liquor	56-percent increase	26 June
Cigarettes	21-percent increase	26 June
Electricity	60-percent increase for residential users, with increase of 150 percent in minimum charge. For heavy industries, 65 percent higher in non-peak periods and up to 300 percent higher in peak periods.	1 July
Water	Increase of 75-300 percent	1 July
Petroleum	Kerosene, 75-percent increase; gasoline, 70-percent increase; and diesel fuel, more than 70-percent increase.  Gasoline prices decrease in regular by 37 percent and super by 25 percent.	4 August  13 August

26. Also in keeping with IMF requirements, the costs to consumers of such services as electricity, water, and transportation were raised substantially during the summer months, when demand was especially strong.<sup>2</sup> At the same time, the government felt compelled to renege on wage boosts promised public sector employees for mid-1979 under a scheme adopted a year earlier. Although some wage increases have subsequently been granted to certain workers, the standard of living of the middle class, which includes military officers and bureaucrats, has steadily declined as wage increases have fallen behind inflation.

27. Adding to Sudan's burdens is an influx, coming in spurts over recent years, of refugees—a third of whom are estimated to have located in urban areas. Most of the official refugees are Eritreans from Ethiopia or Ugandans who were associated in some way with the former Amin regime. Taken together, these are variously estimated to number between 340,000 and 442,000.<sup>3</sup> (See table 4.)

<sup>2</sup> From the standpoint of daily life, one of the most serious aggravations besides costs is the frequent shortage of water and power in Khartoum and other major cities. In an effort to alleviate the shortage of electric power in residential areas of the capital, the government has begun rationing industrial users, but the effect of this action so far has been to cripple the local industrial sector with lost production and spoilage—not to mention workers idled—without improving the situation in the homes.

<sup>3</sup> The UN High Commission for Refugees uses the lower figure; the Sudanese Government the higher.

28. Camps overcrowded with people underemployed and inadequately fed are more than an economic burden. The refugees are a drain on military personnel required to monitor their activities, because they are often active dissidents against their home governments and potential sources of weapons for Sudanese dissidents. Efforts to relocate the refugees—especially those in the Khartoum area, where their activities are especially sensitive politically—are also costly and occasionally even result in military casualties.

### The Economic Outlook

29. As a result of actions by the international financial community—public and private institutions—Sudan has been given a two-year breathing

Table 4

**Refugees in Sudan, by Nationality<sup>1</sup>**

<u>Nationality</u>	<u>Number</u>
Chadian .....	1,000
Eritrean .....	280,000
Other Ethiopian .....	23,000
Ugandan <sup>2</sup> .....	35,000
Zairian .....	5,000
<b>Total .....</b>	<b>344,000</b>

<sup>1</sup> Estimates of UN High Commission on Refugees.

<sup>2</sup> Sudanese Government estimates 133,000.

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spell, but little more.<sup>4</sup> It remains questionable whether the benefits of the breathing spell will be sufficiently visible and timely to be of much use politically.

30. Serious shortages will remain for the short term and may become more acute unless Saudi and other foreign aid is increased to cover increasing imports. Foreign exchange reserves are now equivalent to less than one week's imports of fuel, foodstuffs, and other consumer goods. The inadequate transportation network continues to hinder distribution, especially during the rainy season when rail traffic, which crawls at 50-percent capacity under the best conditions, is disrupted and road transport becomes impossible. These problems may well be compounded by bureaucracy, because the government has taken complete control of the composition of all imports in an effort to assure that only essentials come in, and import permits are now difficult (and probably expensive in bribes) to obtain.

31. New programs are under way to improve agricultural production, to alleviate the problems of outmoded and inadequate infrastructure, and to provide better basic support for the growth of industries. There is a possibility of a commercial-size oil find, although it would take some years for actual production to begin. With the exception of the road link between Khartoum and Port Sudan, none of these efforts is likely to produce actual returns within the next two years, although the oil prospects would increase Sudan's creditworthiness.

32. Agricultural exports are not expected to recover to previous levels for several years, and this year's late rainy season delayed planting of next year's cotton crop, the main export earner. (See the accompanying figure.) The outlook for the industrial sector is bleaker than that for agriculture. Productivity levels dropped further with last summer's power outages, and two to three years will be needed before additional thermal power plants can begin to come on stream, while planned hydroelectric projects are still 10 years away.

<sup>4</sup> The meeting of the "Paris Club" in November 1979 formulated a plan for rescheduling Sudan's government-backed external debt and payments of arrears. Sudan will be given a moratorium of three years on 85 percent of the debts falling due between October 1979 and mid-1981. Approximately \$190 million of debt obligations to Kuwait and Saudi Arabia have already been rescheduled (in mid-1978). Commercial banks are also expected to make rescheduling arrangements, although negotiations could be protracted. Payments of official debt arrears—estimated by the IMF at \$1.3 billion—will be staggered over a period of seven years beginning as of October 1979.

33. Substantial inflows of fresh funds (as distinct from arrangements for postponing repayment of existing debt, helpful though this is) will be required to give the Sudanese a renewed sense that their economy is moving favorably and confidence that the Nimeiri regime knows where it is going for a longer haul. At present, the only visible sources of such funds in the quantities required are other Arab governments, even if Sudan's own oil potential should suddenly prove out in a large way. As no Arab leader could argue convincingly that Sudan is a good short-term investment from a purely economic point of view, Arab aid for the next two to three years will be a highly political question, almost certainly tied in with Arab attitudes toward Egypt, the USSR, and the United States.

### Political Challenges

34. Although the steady economic decline could bottom out in 1980 or 1981, Nimeiri almost certainly faces the prospect of antigovernment strikes and other forms of protest in the coming months. Some of these manifestations may well follow the pattern of the demonstrations of August 1979, which, while small by grander revolutionary standards, appear to have been a close call in terms of the willingness of the second echelon of leadership in the civil service, the police, and the military to come forward and actively defend the regime.

35. The 1979 challenge to the regime culminating in the August disorders was orchestrated and manipulated by the Sudan Communist Party, long known as the best organized and largest such group in either the Arab states or Africa. The party had been severely damaged by the arrest of many of its members and the execution of its top officials following the abortive coup of 1971, but it has substantially regained its strength since Nimeiri "liberalized" the political system in mid-1977. As of mid-1979, its membership was estimated at about 15,000; its strategic significance, however, is greater because of its historical core base in the Sudan Railway Workers Union, which has the capability of seriously disrupting the economy.

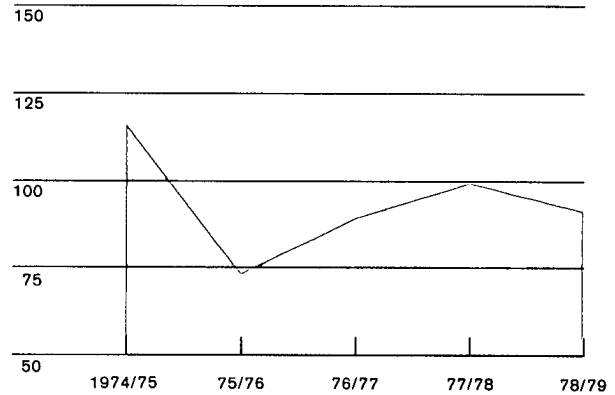
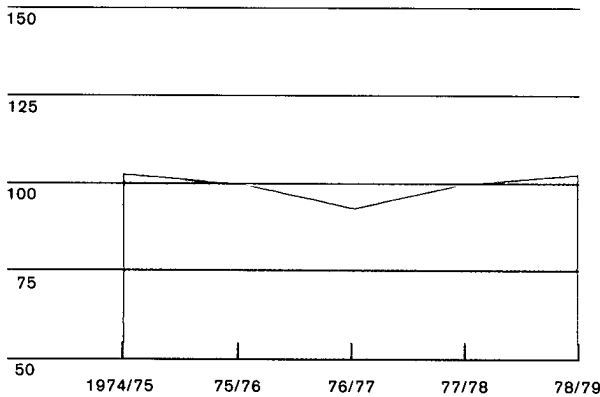
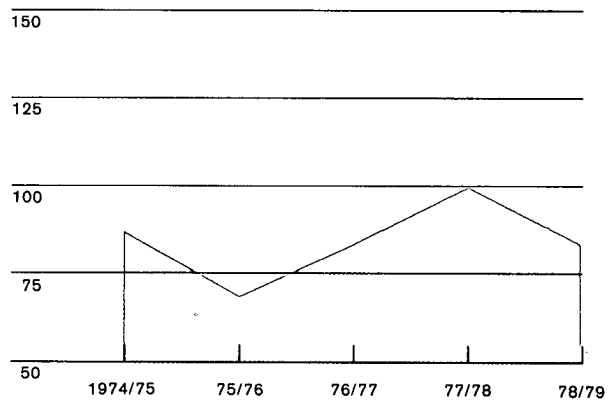
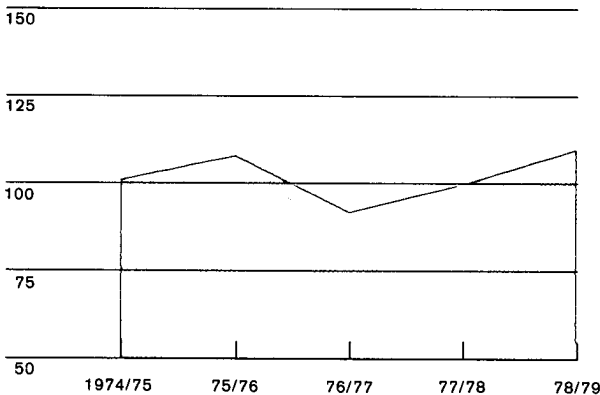
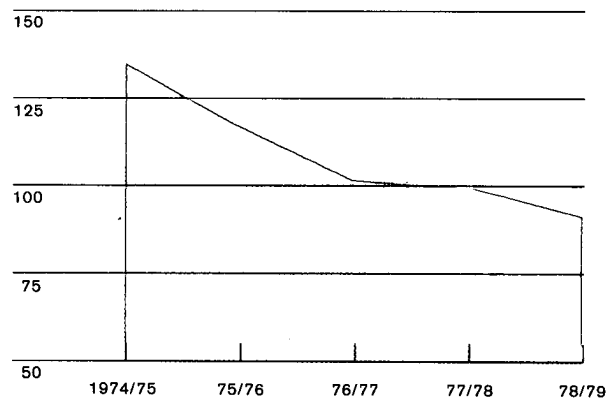
36. The SCP is kept under heavy surveillance by the government's security organs and is periodically harassed by police action. Party leaders appear to have accepted, therefore, that the party is too weak to try to seize power by itself, and have sought in recent years to join with other elements in an anti-Nimeiri front. If the Communists succeeded in this, the government would indeed face a dangerous situation, but such a

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**Major Crop Yields in Sudan, 1974-79**

(Index 1977/78=100)

**Long and Extralong Staple Cotton****Sesame****Wheat****Sorghum****Peanuts**

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success, under Communist inspiration, seems unlikely during the next year or so. Because of its strategic placement in the economic apparatus, however, the party's long-range goal of promoting such disruption that Nimeiri would be forced by others to step down should be taken more seriously.

37. From the standpoint of numbers, the conservative Muslim Ansar sect, which claims the allegiance of about a fifth of Sudan's 17 million people, probably constitutes the most formidable body of disaffection from the present government. For the members of this sect, Nimeiri's military regime represents a deviation from legitimacy, and is blamed for the death of their leader Imam al-Hadi al-Mahdi, who was killed in a clash with the Army in 1970. Nevertheless the Ansar sect has lost some of its appeal to the educated youth.

38. The present Ansar leader, Sadiq al-Mahdi, plays vis-a-vis the government a role that he defines as that of "a reconciled nonparticipant." During the disorders last August, he told his followers to stay aloof. Sadiq's program is traditionalist and anything but dramatic—he calls for a regime of reconciliation on a more specifically Islamic basis than Nimeiri has adopted; for increased attention to social justice in economic policy and practice; and for a foreign policy that would put Sudan into the Arab mainstream. Sadiq has taken money from Libya and from the Saudis, but he himself has recently spoken against outside interference in Sudan's affairs. The Ansar stance is not hostile, but it does not provide positive support to the government as long as Sadiq refuses to participate. At the same time, moreover, Nimeiri must tread carefully lest he move the sect into active opposition.

39. The Muslim Brotherhood, which is more militantly Islamic, is significant despite its apparently small membership because of its mass appeal and its willingness to use intimidation against its enemies and rivals. It is the most conservative of all of the organized Islamic groups in Sudan. It is independent of the Brotherhood in Egypt, although it was influenced by the Egyptian organization early in its history. It has appealed for a revival of Islamic awareness in Sudan and probably hopes to profit from the upsurge in Islamic fundamentalism that has accompanied the revolution in Iran.

40. Nimeiri has been able to co-opt the head of the Brotherhood, Hasan al-Turabi, who became an Assistant Secretary General in Nimeiri's umbrella Sudan Socialist Union in July 1978 and was appointed Attorney General last August. Cooperating with the govern-

ment, however, is an anomalous position for the Brotherhood; its members have been predominantly students and faculty at Khartoum University who find permanent opposition more congenial. Despite the presence of Turabi in the government, the regime regards the Brotherhood as a clandestine organization and maintains a close watch on its activities.

41. Turabi is reported under a cloud for his collaboration with the government. The Brotherhood was defeated in elections held during the fall of 1979 for control of the Khartoum University student union, and the loss has not helped Turabi's image. During the coming year, the Brotherhood could desert its compromising leaders or force them into active opposition. Not surprisingly, a particular point of difference with Nimeiri has been his support for Sadat and Camp David.

42. Nimeiri's major failure in conciliation has been the stubborn refusal of Sharif Husayn al-Hindi, the head of the National Unionist Party, to enter the government's tent. The NUP, which is illegal as are all other parties in Sudan, reflects the outlook of the better educated—and more secular—merchants, civil servants, and professionals who, on the one hand, oppose the traditional conservative forces in the country and, on the other, feel deprived by the military regime of their rightful places of leadership and influence.

43. The NUP thus contains a broad accumulation of anti-Nimeiri sentiment, and on occasions in the past it has supplemented its own numbers by alliance with the Khatmiyyah religious fraternity—a sectarian rival of both the Ansar and the Muslim Brotherhood. Some 80 of the 304 members of the last National Assembly are believed to be members of the party and thus subscribers, in some degree, to al-Hindi's current melange of radical Arab nationalism, "confrontation," "intellectual awakening," and undefined measures of "scientific socialism." The NUP's organization is poor, however, and al-Hindi remains in exile.

44. Al-Hindi at one time depended on Libyan money, which dried up in early 1979 when Libyan leader Qadhafi mended fences with Nimeiri as part of continuing efforts to isolate Egypt. Now the NUP's foreign financial support comes from Iraq. This, along with obvious ideological affinity, has led al-Hindi into a paper alliance with the Sudanese branch of the Ba'th.

45. The Ba'th—the Arab Socialist Resurrection Party, a Pan-Arab revolutionary movement—has probably fewer than a thousand actual members,



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compartmented into cells. As of late 1979, Sudanese security officials regarded the NUP-Ba'th alliance as their most serious problem. They were especially concerned over a reported effort, backed by the Iraqis, to build a paramilitary terrorist capability, which is already said to involve 100 to 200 individuals. Like the Muslim Brotherhood, the Sudanese Ba'thists tend to see violent action against individuals as clearing the way for a righteous society; unlike the Brotherhood, their vision is secular Arab nationalist, not Islamic.

46. All of these groups have attacked Nimeiri for his inability to manage the economy successfully and for his decision to associate Sudan, not merely with Egypt, but with a "corrupt Egyptian regime which has itself sold out to the Zionists." This is the opposition's common theme and the basis of its present appeal. Nimeiri's critics also contend that the nation's economic difficulties stem less from Sudan's historic poverty or a short-term limitation on resources than from the rejection of Nimeiri by the wealthy Arab governments. The idea is gaining currency that Sudan could be saved by the rich Arabs, but that they will not come to Nimeiri's aid while he is aligned with Sadat.

47. On Nimeiri's side, his effort to moderate the regime's authoritarian image and provide some vehicle for political groups to participate in public affairs has had only limited success. While his creation, the Sudan Socialist Union, has worked in some measure as a device for conciliation and the SSU leadership is in theory chosen by elections through several levels, most Sudanese look on it as being manipulated from above because it is the country's sole legal political organization and Nimeiri's more obvious opponents are screened out of the process. The SSU acts to some extent as a safety valve, and this is useful to Nimeiri, but it provides no marching formations with which Nimeiri's opponents could be confronted in the street. For that, he relies on the Army.

48. In addition to Nimeiri's problem with Sudan's opposition groups, the "southern problem" remains a potential cause of domestic turmoil. The politics of the south would have little to do with Khartoum were it not for the fact that the ineffectiveness of the southern autonomous administration—strapped for funds even more severely than the central government—and the corruption allegations bandied about in the southern legislative assembly in effect tarnish one of Nimeiri's great achievements, the ending of the long civil war between the central government and southern guerrillas in 1972.

49. Given the intractable nature of the south's problems, Nimeiri will continue to face the dilemma that central government action there will be seen as subverting autonomy, while leaving the solution to the southerners will both perpetuate the impression that Nimeiri's regime is neglecting the region and in all likelihood further divide the southerners themselves.

50. An associated potential problem is a revival of the Anya-Nya insurgency in the south, although there is nothing that could be called an active insurgency in Sudan at the present time. The Anya-Nya bands that refused to accept the agreement ending the civil war remain based in Ethiopia, which uses them somewhat haphazardly as a counter to Sudan's harboring of Eritrean guerrillas, and there is some evidence that the Anya-Nya have again been infiltrating into Sudan in search of food and fresh recruits. The threat from these groups is likely to remain low, unless the central government badly mishandles its relations with the south, or the Ethiopians become much more active in their support.

51. Despite these problems, most southerners trust Nimeiri and regard him as the guarantor of the 1972 settlement that ended the civil war. We doubt that the settlement will break down as long as he is in power. But a successor government of almost any stripe would alarm the south.

### The Security Forces

52. Since he took power in the 1969 coup, the security forces have been Nimeiri's essential pillar of support. Consequently, Nimeiri will attend to his principal power base by making major efforts to minimize dissatisfaction in the security forces. Despite the continuing professions of loyalty, we are beginning to see signs of an erosion of support for Nimeiri among police and military officers.

53. The Sudanese police have been poor cousins to their military counterparts. This derives from the lower esteem in which they are held by the public and their lower scale of salaries and benefits. The arbitrary dismissal of senior police officers in the fall of 1979, together with Nimeiri's procrastination over approval of recommendations for improving police benefits, has generated increasing dissatisfaction in the force.

54. In the Army there is little evidence of discontent among senior and middle-grade officers; however, there are signs that morale among junior officers has fallen significantly. Although professional concern for

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equipment modernization is important to the Sudanese officer corps, increased pay to compensate for rising inflation generally is the overriding issue. Moreover, junior officers' morale has been particularly affected by new regulations that significantly extend the time they must remain in grade before they are eligible for promotion. Their frustrations are increased by their perceptions of declining social status vis-a-vis other members of the middle class. There has recently been more open complaining, which appears to a significant extent to be focused personally on the President. We have no evidence of active opposition, however.

55. Nimeiri knows of the discontent and is aware of the danger it represents. Unless the issue of compensation is settled, we believe that active opposition to Nimeiri in the armed forces and police will surface during the coming year. Political opposition to Nimeiri would probably attempt to exploit the President's weakness if it became apparent that loyalty of the security services had declined.

#### Foreign Connections

56. One of Nimeiri's strengths in the past has been his recognition that Sudan's situation calls for balance in its foreign relationships. He has sought to stand between the Arab world and black Africa, between factions within the Arab world, and between East and West. He has repeatedly accepted the role of mediator in the hope that this would help neutralize outside attempts to exploit one or another of Sudan's chronic divisions (particularly the southern problem). Geography and history have tied Sudan closely to Egypt, yet Nimeiri tries to retain flexibility in his relations with anti-Egyptian Arab states.

57. In the East-West context, Nimeiri seeks to stay on good terms with as many countries as possible in order to get aid. There has been a recent increase, in fact, in trade and aid from Eastern Europe, but, among Communist countries, China remains the major economic and military aid donor.

58. Only in the Soviet-US context has Nimeiri made a clear, sharp choice—trying to align Sudan with the United States and to develop relations as close as Washington will permit. He has attempted to reduce the Soviet presence in Sudan to a minimum, although there is a potential for renewed Soviet influence in the large amount of Soviet weaponry in Sudanese arsenals.

59. Sudan's relationship to Egypt almost certainly will be the central, probably the determining, factor in

its ties to other foreign governments during the next year to 18 months. Unless there is significant movement in the Egyptian-Israeli peace process that could serve to reduce other Arab pressure on Nimeiri, or alternatively to make him less vulnerable to such pressure, relations between Khartoum and Cairo are likely to become progressively more strained during this period.

60. Sadat and Nimeiri share many ideas, particularly concerning the Middle East and the Horn of Africa, and this commonality of outlook is not likely to change. In addition, Nimeiri is indebted to Sadat for Egyptian assistance; following the Libyan- and Ethiopian-backed coup of July 1976, the two leaders signed a mutual defense agreement. Nimeiri thus has a lively sense of his need for Egyptian support in a crisis, and he will seek to avoid taking steps that would seriously jeopardize the Egyptian security commitment or, worse, turn Sadat against him.

61. Nevertheless, in the closing weeks of 1979 Nimeiri felt obliged to begin to distance himself from Sadat on the peace process issue. He attended the Arab summit in Tunis, and evidently made some at least temporizing promises to the Arab confrontationists there. He has permitted Sudanese officials and journalists publicly to criticize Egyptian policy in the Middle East, and in December reduced Sudanese representation in Cairo to the charge d'affaires level.

62. Nimeiri's current position appears to be that he supports a peace process that is moving toward satisfying Palestinian aspirations in some form; he does not support a process that merely takes Egypt out of the Arab front against Israel. While Nimeiri would contend that this posture is consistent with the support he previously gave Sadat, it clearly marks a shift toward appeasement of his foreign as well as domestic critics.

63. To date, Sadat's overt reaction to Nimeiri's moves has been restrained. Sudan's alignment with Egypt at this time is of great importance to the Egyptians, and Sadat would not wish to push Nimeiri out of the tent. At the same time, Sadat is not above trying to exert counterpressures through Egypt's commercial and political contacts in Sudan. If it should appear to Sadat that Nimeiri was in fact defecting from a pro-Egyptian position, Sadat could, among other things, try to revive old relations with the Khatmiyyah. It is doubtful that Sadat would actually try to overthrow Nimeiri.

64. Since about 1974, the wealthy Arab moderates—particularly Saudi Arabia, the United Arab

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Emirates, and Kuwait—have provided critical financial assistance for Nimeiri's economic and military programs and more recently have sent oil. Nimeiri's domestic programs of reconciliation with his conservative Muslim opponents have been undertaken in part to please these foreign moderates. Moreover, moderate Arab pressure has been an important factor in Nimeiri's recent moves to distance Sudan from Egyptian policy.

65. The Saudis and their associates, however, are limited in how far they can move Nimeiri. While in theory they might look with favor on the idea of a more forthrightly Islamic government in Khartoum, they are acutely aware of the danger that a new Sudanese government might look more toward Iraq, whose prestige is growing, or even toward Libya. During the next year or so, the Saudis are likely to continue the hide-and-seek game they have been playing with Nimeiri and the United States over financing new military equipment—reminding Nimeiri of his dependence and of his need to maintain Arab credentials, but not trying to oust Nimeiri or force him into a complete break with Sadat against his own sense of Sudan's interest.

66. One or more of the Arab radicals, particularly Libya's mercurial Qadhafi, could well seek to subvert Nimeiri. But if Nimeiri can sustain the program of reconciliation with the Islamic conservatives, Libya's ability to set them against Nimeiri will remain more limited than it was in 1976. The Iraqis' objective would appear to be less to oust Nimeiri than to push him substantially further along the course he is already taking vis-a-vis Sadat.

67. There is little prospect for a fundamental change in relations between Sudan and Ethiopia as long as the Eritrean insurgency remains active. Sudan cannot abandon the Eritreans without offending their Arab supporters, who in this case include the Iraqis as well as moderate Arabs. As long as Nimeiri perceives a danger that the Eritrean conflict will spill across Sudan's borders, we believe he will continue to seek a negotiated settlement. If by chance a settlement in Eritrea were achieved during the next 18 months, Nimeiri would still perceive a threat from Soviet-backed Ethiopia.

68. Relations between the USSR and Sudan are strained. The Soviets would, of course, welcome a change of regime in Sudan. It seems unlikely, however, that they would work directly to overthrow Nimeiri during the next year or so, although their

willingness to intervene subtly, if they are able, should not be discounted. Moscow has no particular reason to get out front when economic and political pressures on Nimeiri appear to be working for it in any event.

69. US actions may have some significant effect on Nimeiri's survivability, although a good deal depends on the general perception in Africa and the Middle East of US power and Washington's willingness to project it. Even though US aid—both economic and military—is unlikely by itself to solve Nimeiri's most pressing problems, its symbolic value is probably substantial.<sup>5</sup> (See tables 5 and 6.) So long as the United States remains identified with an Egyptian-Israeli entente that is perceived as damaging to Sudan, and US aid does not compensate for the assistance being withheld by the Saudis and others, identification with the United States becomes a liability. A more active US policy in the Horn and adjacent Indian Ocean areas would, on balance, work to Nimeiri's benefit, but if it were perceived as anti-Muslim or anti-Arab it would carry costs for him.

## Outlook

70. The next 12 to 18 months will be a period of sometimes acute danger for Nimeiri. Given foreign support, he will probably make it through the period, but it will be close. The absence of easy answers to the economic challenges is central, because of the impact on Nimeiri's support in the military and police.

71. Active opposition to Nimeiri in the armed forces and police will probably surface in the next year unless some means is devised to insulate these elements from the effects of inflation and the shortages of consumer goods. Nimeiri knows what the problem is, and he is aware of the discontent, focused in large part on him personally, that it has created. We expect that he will take measures to diffuse the discontent by attempting to increase military compensation and by making personal gestures to promote the identification of the troops with their President.

<sup>5</sup> From 1972 until 1978, disbursement of US official development aid to Sudan averaged more than \$4 million per year, with the highest being \$10 million in 1978. Although disbursement data for 1979 are unavailable, total US aid commitments were estimated at \$29.65 million—\$24.2 million in economic aid, \$5 million in foreign military sales (FMS) credits, and \$450,000 in international military education and training (IMET). US aid proposed for 1980 totals \$120.5 million. This would include \$25 million in FMS, \$1.7 million in the Military Assistance Program (MAP), and \$500,000 in IMET. In addition, \$93.3 million in economic aid—\$40.0 million from the Economic Support Fund (ESF), \$23.1 million under PL480, and \$30.2 million in development assistance—is proposed.

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Table 5

Net Disbursements of Economic Aid to Sudan From Major Donors, 1972-79<sup>1</sup>

Million US \$

	1972	1973	1974	1975	1976	1977	1978	1979
Arab states	*	*	86	50	263	118	244	—
Bilateral	—	—	49	36	231	102	228	367
Of which:								
Saudi Arabia	—	—	9	25	165	67	125	298
Kuwait	—	—	—	7	22	13	38	63
Multilateral <sup>2</sup>	—	—	37	14	32	16	16 <sup>4</sup>	*
Western states <sup>3</sup>	37	43	54	110	114	109	172	*
Bilateral	10	17	33	60	54	56	112	*
Of which:								
West Germany	4	9	21	34	23	15	38	*
Netherlands	—	1	4	4	9	20	16	*
United Kingdom	2	2	3	6	13	9	*	*
United States	1	3	4	8	-1 <sup>7</sup>	4	10	*
Multilateral <sup>5</sup>	27	26	21	50	60	53	60 <sup>4</sup>	*

<sup>1</sup> Bilateral and multilateral aid that includes a grant element in excess of 25 percent. Communist countries (mainly China) are minor donors, having disbursed only \$126 million in economic aid during 1954-78.

<sup>2</sup> Aid negligible prior to October 1973 oil price hike.

<sup>3</sup> Agencies financed by the Organization of Petroleum-Exporting Countries.

<sup>4</sup> Estimated.

<sup>5</sup> Data not available.

<sup>6</sup> Includes Japan and the leading Western aid donors: Australia, Austria, Belgium, Canada, Denmark, Finland, France, West Germany, Italy, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the United States.

<sup>7</sup> Servicing of aid debt surpassed new aid inflows.

<sup>8</sup> Aid disbursement data are not available on a calendar year basis; aid commitments will increase in FY 1980 by 150 percent (to \$90 million) over the previous year.

<sup>9</sup> Mainly aid disbursed from the International Monetary Fund, the World Bank, and the United Nations.

Table 6

## Military Deliveries to Sudan, 1972-79

Million US \$

	1972	1973	1974	1975	1976	1977	1978	1979
Soviet bloc	13.3	2.3	18.5	—	3.2	—	4.0	—
China and Yugoslavia	4.0 <sup>1</sup>	4.0 <sup>1</sup>	—	—	—	3.5 <sup>1</sup>	1.0 <sup>1</sup>	23.5 <sup>1</sup>
Non-Communist world	—	—	10.0	0.8	8.8 <sup>1</sup>	116.0 <sup>1,2</sup>	57.0 <sup>1</sup>	1.8

<sup>1</sup> Financed by Saudi Arabia or Kuwait and/or donated to Sudan through grant assistance.

<sup>2</sup> Includes \$86 million delivery of six US C-130 transport aircraft, financed by Saudi Arabia.

72. Nimeiri's tightrope act in foreign policy will become even trickier (again barring a breakthrough in the Egyptian-Israeli negotiations). He may find it necessary to move cautiously toward the Arab consensus, although this trend could be delayed by pressure from Cairo and/or a more muscular US regional policy.

73. Nimeiri is not likely during this period to be ousted by indigenous nonmilitary political elements working alone. A serious civilian conspiracy against him would have to have significant foreign support—from Libya or Egypt most probably—to overcome Nimeiri's remaining hold on the Sudanese military. This judgment assumes that Nimeiri takes the steps

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and positions outlined in the preceding paragraphs. If he does not, or if the winds blow even harder on him than we now forecast, the United States should be prepared to see the emergence of an alternative regime.

74. The most likely possibility is another military coup. If the Sudanese should take to the streets, either spontaneously or at the instigation of one or more opposition groups, the security forces might be faced with the prospect of large-scale civilian casualties to maintain order. In such a situation, military leaders, possibly including First Vice President Khalil,<sup>6</sup> would likely step in to depose Nimeiri. Should a coup result in the installation of a nominal civilian regime under military control, the odds probably favor Ansar leader Sadiq al-Mahdi as titular head of government.

75. Under either type of regime there might be some shift toward greater Islamization in domestic policy, but not so much as to disturb the delicate north-south balance. In foreign policy, a successor government would probably identify less closely with US interests in the area and move some distance toward the Arab consensus, especially with regard to the policies toward Egypt and the peace process.<sup>7</sup> Sudan's probable continuing lack of trust of the USSR and desire for US aid would make it wary of taking stands widely at variance with US regional interests, however, unless it believed that the United States had opted out of serious involvement in the region.

<sup>6</sup> Lt. Gen. Abd al-Majid Hamid Khalil was named First Vice President by Nimeiri in August 1979 in an effort to appease Army critics of the regime. Khalil is a highly competent career military officer who previously served as Chief of Staff and Minister of Defense. His efforts to improve the efficiency of the armed forces have made him popular with junior officers, but have offended senior commanders who regard him as arrogant and overly demanding. He is strongly pro-US and approves of Nimeiri's support of President Sadat and the Middle East peace negotiations and, even if he came to power via a coup, probably would continue Nimeiri's policies in these areas.

<sup>7</sup> The Defense Intelligence Agency considers it less likely than this sentence would suggest that a successor military regime would move away from US interests and toward an "Arab consensus." DIA agrees that economic factors are likely to be a major motivation in a possible overthrow of Nimeiri. DIA believes it probable that a new military regime would be disposed to follow Nimeiri's foreign policy, that it would not jeopardize Sudan's security relationship with Egypt or its economic relationship with Saudi Arabia. Should a new regime come to Sudan because of social upheaval, DIA believes the Saudis would be so concerned about Sudanese stability that they would not press Sudan for foreign policy advantages.

76. A less likely alternative is a successor regime controlled by military officers who favor a closer alignment with the radical Arab states. If this happened, at least for a period the situation would be even more confused, and the decline of US influence would be more abrupt. There would very likely be efforts from Cairo to reverse the situation by threats, money, and subversion—possibly intervention under cover of the mutual defense agreement. If these efforts failed, there would be major shifts in Sudan's domestic and foreign policies—an identification with the Arab hardliners and a revival of "Arab socialism." The Communists would be unlikely to gain much directly beyond an opportunity for more open propaganda and agitation, although Sudan's relations with the USSR would probably improve as the regime sought to offset any lingering US influence.

77. In the event that Nimeiri left the presidency because of retirement or accidental death, the succession would likely follow the constitutional prescription: Khalil would assume the presidency pending new elections within 60 days. He also would be in the best position to influence the outcome of the election and to receive the electoral mandate. To broaden his base of support in Nimeiri's tradition of reconciliation, it is possible that Khalil would call on Sadiq al-Mahdi to lead the cabinet as prime minister; however, Khalil would be unlikely to grant Sadiq, or any other politician, real independence.

78. In the event of a constitutional succession, Khalil would not differ significantly with Nimeiri on policy toward Egypt and close ties would remain. As with Nimeiri, Khalil would rely heavily on the security services for support, particularly the Army. The degree with which they are considered and cared for would be most important for the survival of any successor regime.

79. US ability to influence Sudanese policy probably depends primarily on how the Sudanese perceive US resolve and strength. The Sudanese want a strong friend and military patron to counter the threat that they see presented by the Soviets, Ethiopians, and Libyans; all segments of Sudanese society, however, at present are doubtful of US will and reliability. To a somewhat lesser extent, US influence in Sudan is dependent on the achievement of a breakthrough on Palestinian autonomy in the Middle East peace negotiations and on US ability to persuade the Arab moderates to reduce the pressure on Sudan.

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80. US aid to Sudan is also a significant factor in shaping Sudanese views. Since Nimeiri's hope for political survival over the short term depends in part on his ability to have bread and flour on store shelves

when the traditional lean summer season arrives, probably the most important thing that the United States could do to aid Nimeiri in the near term would be to increase food aid.

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